Visa to tourists in Bangalore

*389. SHRI K.C. KONDAIAH: Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) the number of foreign tourists who visited Karnataka from January, 2001 till date;

(b) the foreign exchange earned during the above period from tourism from Karnataka;

(c) whether visa to tourists of some countries is being issued on arrival in Bangalore to develop tourism; and

(d) if not, the steps taken by Government to issue visa to tourists on arrival in Bangalore?

THE MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN): (a) The number of international tourist arrivals at Bangalore airport during the period January to November 2001 is 12968.

(b) The foreign exchange earnings from tourism for the country as a whole during the period January to November 2001 have been estimated as Rs. 12,838 crores. State-wise foreign exchange earnings are not compiled.

(c) and (d) The scheme of visa on arrival to tourists has so far not been implemented in any of the international airports of the country.

Misappropriations by Chit Fund Companies

*390 SHRI BRATIN SENGUPTA:
SHRI ANIL SHARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether M/s Transworld Securities Limited 22/44, West Patel Nagar, New Delhi, is a SEBI registered dealer; if so, the details thereof;

(b) whether M/s Valentinos Chit Fund Private Limited 22/44, West Patel Nagar, New Delhi, has also been functioning from the same premises; if so, since when;

(c) whether both companies in league with each other are misappropriating chit funds/mutual funds to the detriment of small investors/general public; and

(d) whether their financial transactions/accounting records, duly audited, have ever been examined by Government since their inception, if so, up-to-date details thereof, year-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) M/s Transworld Securities Limited is a SEBI registered stock broker on National Stock Exchange of India Limited (NSE) with its registration No. INB 230824438 dated 22.11.1995. M/s Valentinos Chit Fund Private Limited was registered by the Registrar, Chit Fund, New Delhi with effect from 15.4.1991 for doing chit fund business. Both companies are functioning from 22/44, West Patel Nagar, New Delhi.

(c) and (d) Registrar Chit Fund, Government of Delhi has informed that no such complaints have been received and that audit of M/s Valentinos Chit Fund Private Ltd. has not been carried out since inception. However, they will initiate audit inspection in December, 2001 itself.

National Stock Exchange has informed that the broker has furnished the audit report for the last five years. The National Stock Exchange has also informed that they do not generally examine the annual reports unless such examination is required for any specific purposes like checking of networth, etc. However, during the course of inspection of the books of the broker for the year 2000-2001, it was observed that some clients have given authority letters, authorising the broker to transfer credit balance in their account to meet their obligations to M/s Valentinos Chit Fund Private Ltd. and Transworld Asset Capital Holdings Ltd. Further NSE has informed that Transworld Securities Ltd. and M/s Valentinos Chit Fund Private Ltd. appear to have common Directors. The details of the

deficiencies observed and action taken by the National Stock Exchange are given in the Statement.

Statement

Deficiencies observed and action taken by the National Stock Exchange

Trading Member Transworld Securities Ltd. (2000-01)

Sl. No.	Violation	Action
1.	**Segregation of bank accounts**	
	Misuse of client account (Regulation No. 4.4.12 and 6.1.4 of the Capital Market Regulations, 1999)	A fine of Rs. 10,000/- was levied.
2.	Dealing with unregistered intermediaries (Circular No. NSE/MEMB/465 dated February 16, 1998 and Circular No. NSE/MEMB/2284 dated January 31, 2001)	A fine of Rs. 100000/- was levied.
3.	**Member-Constituent Agreement and Know your Client Form**	
	Non-execution of Member constituent agreements (Regulation 4.3.1. of the Capital Market Regulations, 1999)	A fine of Rs. 20,000/- was levied.
	Incomplete Know Your client forms (Circular No. NSE/MEM/00285 dated July 1, 1997)	A fine of Rs. 10,000/- was levied.

Sl. No.	Violation	Action
	Non execution of Client-Participant Agreement (NSE Circular No. NSCCL/ CM/SL/ALBM/04 dated June 3, 2001)	The Trading Member was reprimanded in respect of this violation.
4.	**Other Violations:**	
	Issuance of Contract notes without running serial number (Regulation 3.5 of the Capital Market Regulations, 1999)	A fine of Rs. 5000/- was levied.
	Contract notes issued otherwise than in the prescribed format (Regulation 3.5.1 of the Capital Market Regulations, 1999)	A fine of Rs 5000/- was levied.
	ALBM client trades indicated as own trades Insufficient funds/securities to cover ALBM transactions where fees were earned (Circular No. NSCCL/SL/MEM/03 dated June 02,2000)	A fine of Rs. 14374/- was levied.